Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

| In the Matter of |) | |
|--|-------------|----------------------|
| Digital Audio Broadcasting Systems And Their Impact On the Terrestrial Radio Broadcast Service |))) | MM Docket No. 99-325 |
| | _) | |

REPLY COMMENTS OF THE WALT DISNEY COMPANY AND ABC, INC.

The Walt Disney Company and ABC Inc. ("Disney/ABC") file these reply comments to support the numerous broadcasters that have commented in support of NAB's proposal to permit use of separate antennas to implement FM digital radio, otherwise known as FM In-Band On-Channel ("IBOC") transmissions. ABC, Inc. is an indirect subsidiary of The Walt Disney Company, and owns (directly and through subsidiaries) over 60 commercial radio broadcast stations in the United States. In the interest of full disclosure, the Commission should be aware that ABC, Inc. (as well as several other broadcasters) holds an ownership interest iBiquity, the IBOC system approved by the FCC for digital radio.

As Disney/ABC has stated in earlier comments filed in this proceeding, digital radio is critical to the continued vitality of terrestrial radio broadcasting in the United States. Digital radio will be of dramatically better quality and reliability than analog FM. It will enable listeners to receive additional enhanced services not available today. It is therefore not surprising that Disney/ABC is eager to transition our stations to digital so

that we can give our listeners a better radio experience – and thus remain competitive with other terrestrial radio stations as well as satellite radio.

Disney/ABC agrees with the supporting comments that stress several benefits of a two-antenna system: (1) the increased flexibility for a radio station to decide how to transition to digital; and (2) the decreased cost of a two-antenna system.

Because broadcasters would enjoy these two benefits if the NAB's proposal is adopted broadcasters would transition to digital more quickly. As for Disney/ABC, we are anxious to transition to digital and a two-antenna option would indeed give us more flexibility in deciding how to transition our radio stations. Moreover, Disney/ABC already is planning to transition several of our stations to digital in the near future and adoption of this proposal would make it significantly less expensive for us to do so. Thus, adoption of the NAB's proposal would speed Disney/ABC's own transition to digital radio.

As a general matter, ABC agrees with the results of the NAB tests that a separate antenna approach is viable, can be easily implemented, will not create a greater disruption to station operations than a single-antenna approach, and will not adversely affect current FM service or the quality of the new digital service. Therefore, the NAB proposal would benefit the digital radio transition, while not harming the radio listening experience, either with analog or digital service. Therefore, it is in the public interest and should be adopted.

CONCLUSION

For the foregoing reasons, and those contained in the broadcaster comments already filed in support of the NAB proposal, Disney/ABC encourages the FCC to move

expeditiously to authorize the use of separate antennas to speed the digital radio transition.

Respectfully submitted,

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Dated: January 23, 2004